Serial No.: 10/810,000 Page 8

REMARKS

Claims 1-21 are pending in the present Application. The present amendment cancels claims 2-4 and 17-21, amends claims 1 and 14, and adds new claims 22-35. The present amendment also amends the Abstract.

The Applicants respectfully request reconsideration of the Application in light of these amendments and the following remarks.

I. <u>AMENDMENT OF THE ABSTRACT</u>

In paragraph 1 of the Office Action, the Examiner provided a reminder regarding the language and format that should be used in the abstract of an application. Although the Examiner did not state specific concerns with the Abstract of the present Application, the Applicants have amended the Abstract in an effort to address the Examiner's concern. The Applicants believe that the amended Abstract is in proper form.

II. THE CLAIMS ARE PATENTABLE OVER THE CITED ART

A. Allowable Subject Matter

In paragraph 6 of the Office Action, the Examiner objected to claims 4 and 6 as being dependent on a rejected claim but indicated that they would be allowable if rewritten in independent form including the limitations of the base claim and any intervening claims.

The Applicants appreciate this indication of allowable subject matter. In accordance with the Examiner's suggestion, the Applicants have amended claim 1 to incorporate the features of claim 4 and intervening claims 2 and 3. Claims 2-4 have been canceled. The Applicants have also added new independent claim 22, which incorporates the features of claim 6 into original claim 1 along with the features of intervening claim 5. The present

Serial No.: 10/810,000

Page 9

amendment also adds new claims 23-35, which are dependent on claim 22 and correspond to original dependent claims 2-4 and 7-16. The Applicants believe that no new matter is presented by these claims.

B. Amendments Overcome Prior Art Rejections

In paragraph 3 of the Office Action, claims 1-3, 5 and 7-16 were rejected under 35 U.S.C. 103(a) as being assertedly unpatentable over Liang, U.S. Patent No. 6,373,965 (Liang Patent) in view of a paper by Wu et al. entitled "Watermarking for Image Authentication." In paragraph 5 of the Office Action, claims 17-21 were rejected under 35 U.S.C. 102(e) as being assertedly anticipated by the Liang Patent.

Claims 2-4 and 17-21 have been canceled, thereby rendering their rejection moot.

As discussed above, claim 1 has been amended to incorporate the subject matter of original claim 4, which was identified by the Examiner as being directed to allowable subject matter. Claims 5-16 are all dependent on claim 1 and therefore also now include the allowable subject matter of original claim 4. The Applicants therefore submit that claims 1 and 5-16 are allowable over the cited references and that their rejection under 35 U.S.C. 103(a) should be withdrawn.

III. <u>CONCLUSION</u>

For at least the reasons set forth above, the Applicants respectfully submit that claims 1, 5-16 and 22-35 are in condition for allowance. The Applicants therefore request that the present application be allowed and passed to issue.

Serial No.: 10/810,000

Page 10

Should the Examiner believe anything further is desirable in order to place the application in even better condition for allowance, the Examiner is invited to contact the Applicants' undersigned representative.

Dated: December 1, 2004

Respectfully submitted,

David E. Baker

Attorney for Applicants Registration No. 42,285

Telephone: (804) 788-8762 Facsimile: (804) 343-4598

Please Direct all Correspondence to:

J. Michael Martinez de Andino, Esq. Hunton & Williams LLP Riverfront Plaza, East Tower 951 East Byrd Street Richmond, Virginia 23219-4074